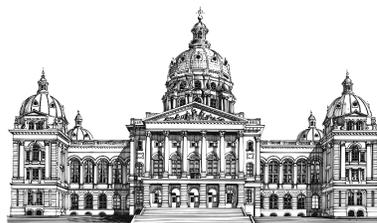

Iowa Legislative Fiscal Bureau

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State Capitol
Des Moines, IA 50319
September 20, 1993

Capitol Restoration - Update

ISSUE

The status of the Capitol Building Projects.

AFFECTED AGENCIES

Department of General Services (DGS) and agencies housed in the Capitol Building

CODE AUTHORITY

Sections 18A.3 and 18A.11, Code of Iowa

BACKGROUND

Funding for the Iowa State Capitol Restoration Project was first appropriated in FY 1983. Attachments A and B show the completed phases of the restoration project to date indicating that \$14,519,680 or 34.0% of the total estimated project has been completed. Attachments C & D indicate that under a 6-year completion plan, the estimated maximum cost to complete the project would be \$22.8 million. Attachment E shows the breakdown of the total expenditure using a 9-year plan.

The Capitol Planning Commission was established in 1959 by the General Assembly. The duty of the Commission is to recommend the location of statues, fountains, monuments and placing of any additional buildings on the Capitol grounds; the type of architecture and the construction of any new buildings to be erected; and repairs and restoration of these buildings, including the Capitol. The Commission, in cooperation with the Director of the DGS, develops and implements within the limits of its appropriation, a 5-year modernization program for the Capitol Complex. A report is submitted each January.

The Friends of Capitol Hill Nonprofit Corporation was created by SF 312 (Friends of the Capitol Hill) during the 1993 Legislative Session. The Corporation was established for the preservation, restoration, and public use of the Capitol, and for related charitable, cultural, and educational purposes. The Board has the authority to accept appropriations, gifts, services, and contributions of any kind from public and private entities. According to the DGS, the Board of Directors of the Corporation has met once and is in the process of organizing.

CURRENT SITUATION

A FY 1994 appropriation of \$814,957 for exterior restoration of the Capitol was included in SF 425 (The Tenth Budget Bill) with funding from FY 1993 lottery revenues. This appropriation is for renovation of the northwest pavilion and planning for restoration of the upper portion and dome of the northwest pavilion.

A capital request of \$396,000 for interior restoration of the Capitol Building was not approved for FY 1994. This request was for the first year of a 6-year project totaling \$8,442,385. The project involves remodeling of the building to meet Fire and Life Safety Codes and Americans with Disabilities Act Standards while maintaining the historical integrity of the Capitol. The project would include removal of mezzanines which were not a part of the original building, new electrical distribution systems, a new heating and ventilation system, a sprinkler system, accessibility to public rooms by handicapped persons, wall restoration work, murals and repair, and cleaning of such items as marble, stained glass, and woodwork.

ALTERNATIVES

- Follow a financial plan for capital appropriations to complete both the exterior renovation project and the interior project making annual appropriations to complete the projects. According to the DGS, the longer restoration is delayed, the more the project will cost. Not only do construction costs escalate every year, but if structural repair is not made, there is increased interior damage to the structure. A visual example of this type of deterioration is the ceiling in Room 22 behind the Senate chamber. The restoration of the southeast pavilion (Phase 8) includes replacing the roof over this room. The Capitol is under citation by the State Fire Marshall's office for noncompliance with the Fire and Life Safety Codes. The FY 1994 program appropriation request was the result of a study conducted by Dussar/Dikis Associates Ltd., Architects and Interiors, the State Fire Marshall, the DGS, and a historical preservationist for a plan to allow the building to comply with the various codes without destroying its historical significance. If the renovation of the interior is indefinitely deferred, potential life endangering situations could occur. Should there be a fire in the building there is the possibility of loss of life. Worst case scenario is not being able to use the Capitol because of noncompliance with fire and building codes.
- Issue bonds through the Iowa Finance Authority (IFA) to complete the exterior and interior projects. The Legislature would have to grant the IFA authority to issue bonds for this project.
- Defer the projects. Again, according to the DGS, the longer restoration is postponed, the greater the total cost to complete the project and the greater chance for increased structural and interior damage to the Capitol.

BUDGET IMPACT

- The estimated total cost to complete the exterior project in 9 years is \$26.1 million. The cost will vary depending on the number of years required to complete the project and the accuracy of assumptions regarding cost increases (Attachment E). The estimated cost to complete the interior project in 6 years is \$8.4 million.
- The cost of issuing bonds for the projects is not available. Because the project requires a construction time of 6 years according to the DGS, the bonds would have to be issued

more than once, according to IRS rules. It cannot be determined with any degree of accuracy what the bond market will be several years into the future.

- The budget impact of deferring the project is unknown since costs for additional deterioration are unknown.

STAFF CONTACT: Tami Fujinaka (Ext. 14613)

COMPLETED CONSTRUCTION PHASES

\$14,519,680 COST = 34% OF TOTAL ESTIMATE
(COMPLETED CONSTRUCTION = 45% OF TOTAL WORK)

IOWA STATE CAPITOL RESTORATION

PHASE 5 1987-88
\$4,145,686

PHASE 2 1984
\$953,060

PHASE 7A 1990-91
\$697,217

PHASE 7B 1991-92
\$1,039,981

PHASE 4 1986
\$877,897

PHASE 3 1985
\$903,133

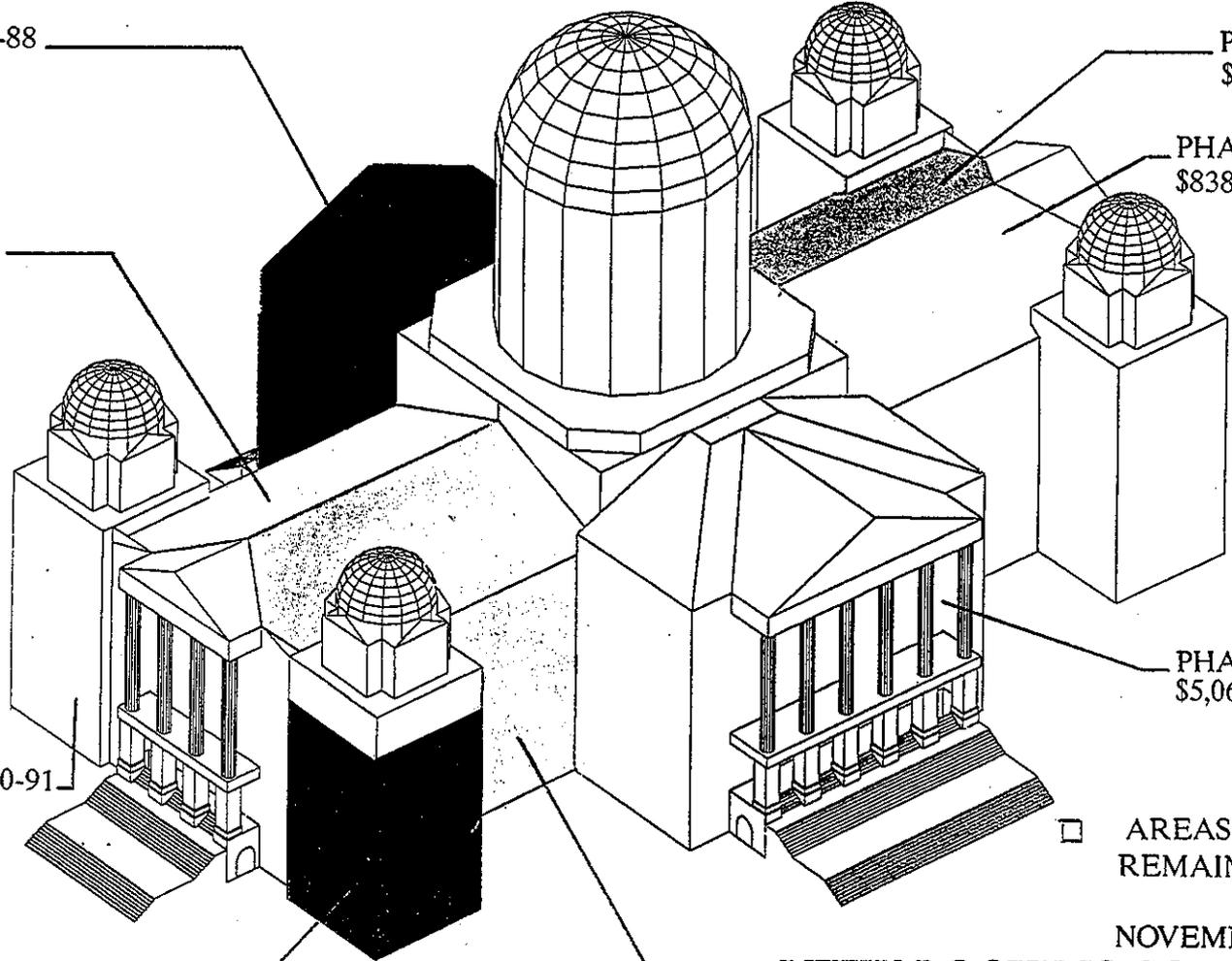
PHASE 1 1983-84
\$838,460

PHASE 6 1989-92
\$5,064,246

□ AREAS IN WHITE :
REMAINING WORK

NOVEMBER 17, 1992

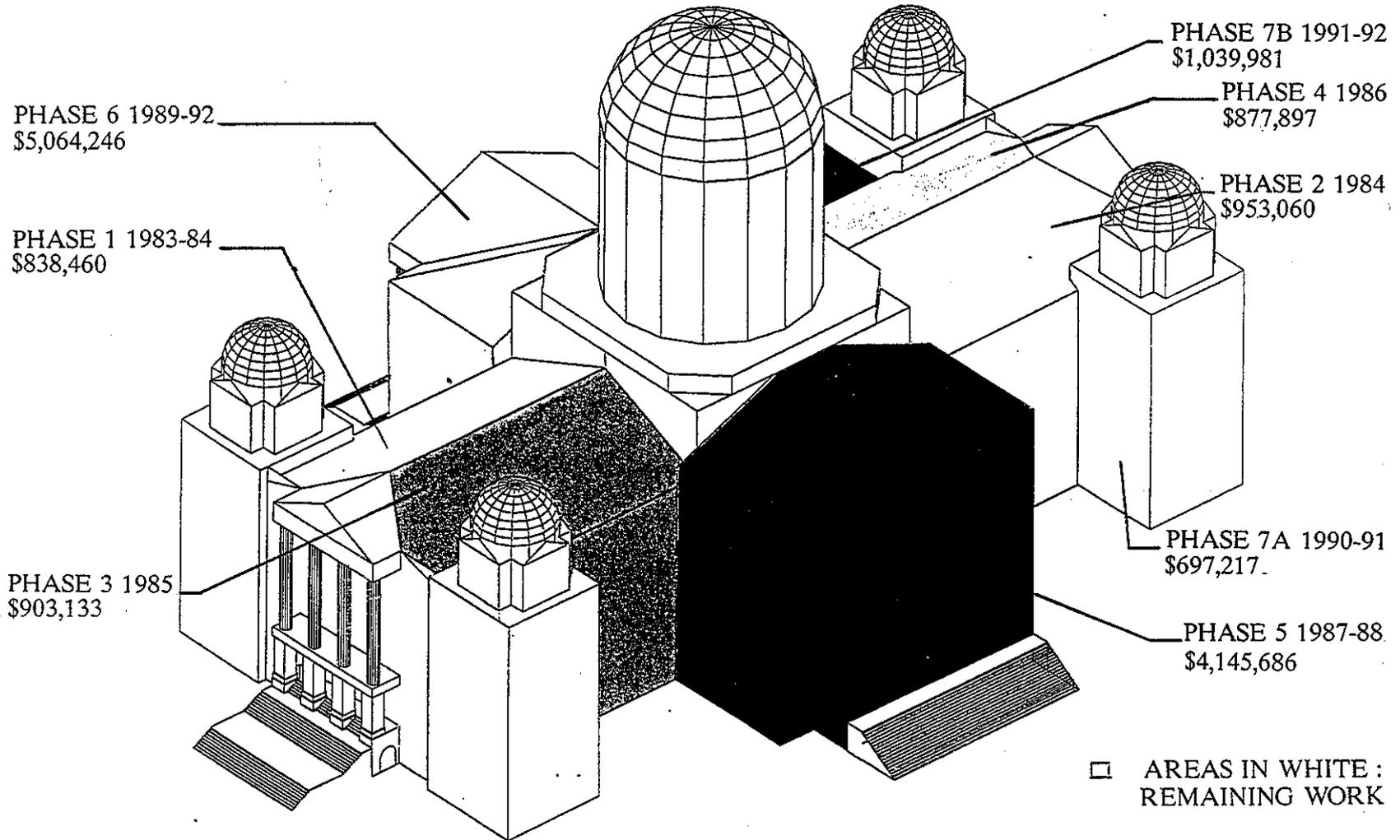
VIEW LOOKING SOUTHEAST



COMPLETED CONSTRUCTION PHASES

\$14,519,680 COST = 34% OF TOTAL ESTIMATE
(COMPLETED CONSTRUCTION = 45% OF TOTAL WORK)

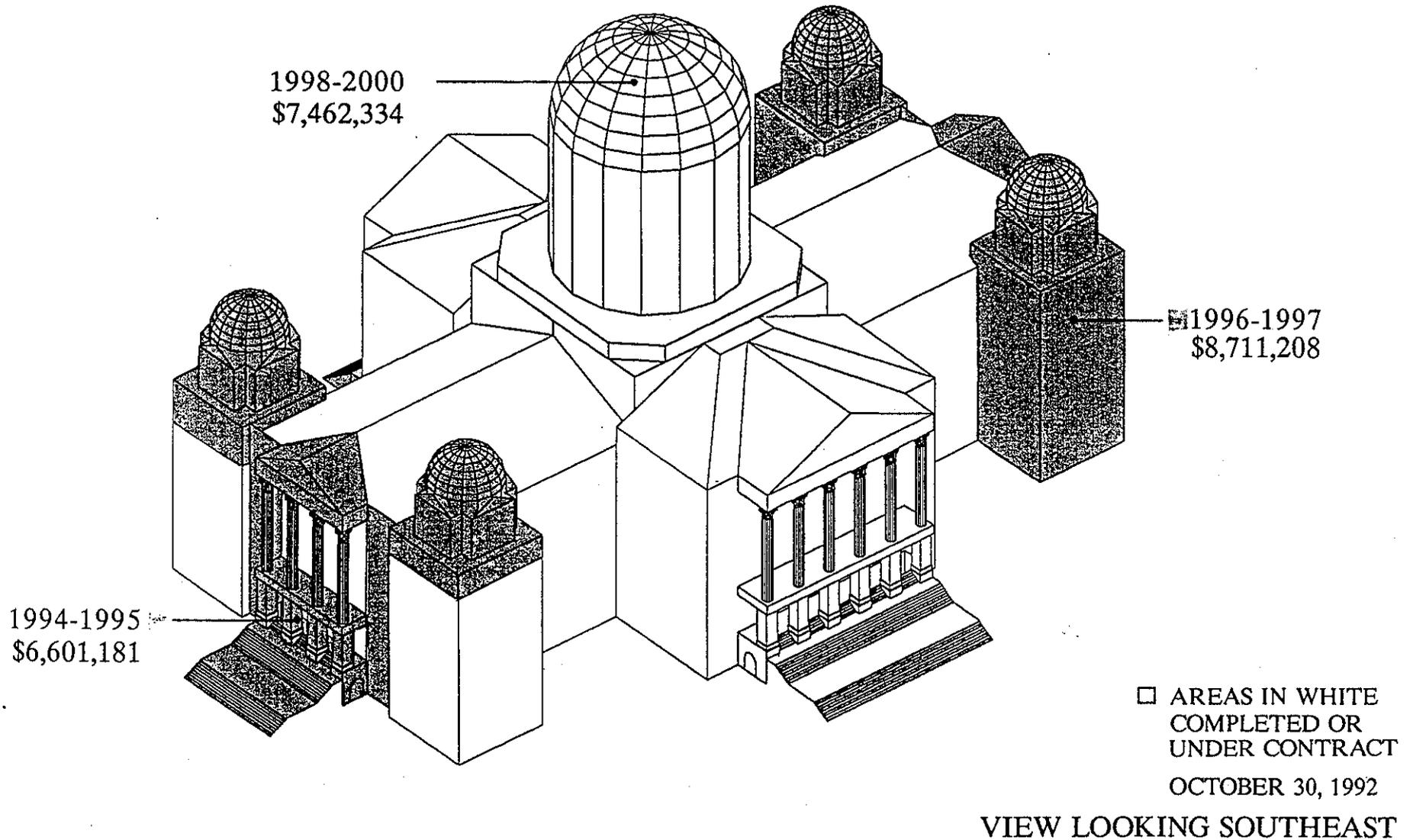
IOWA STATE CAPITOL RESTORATION



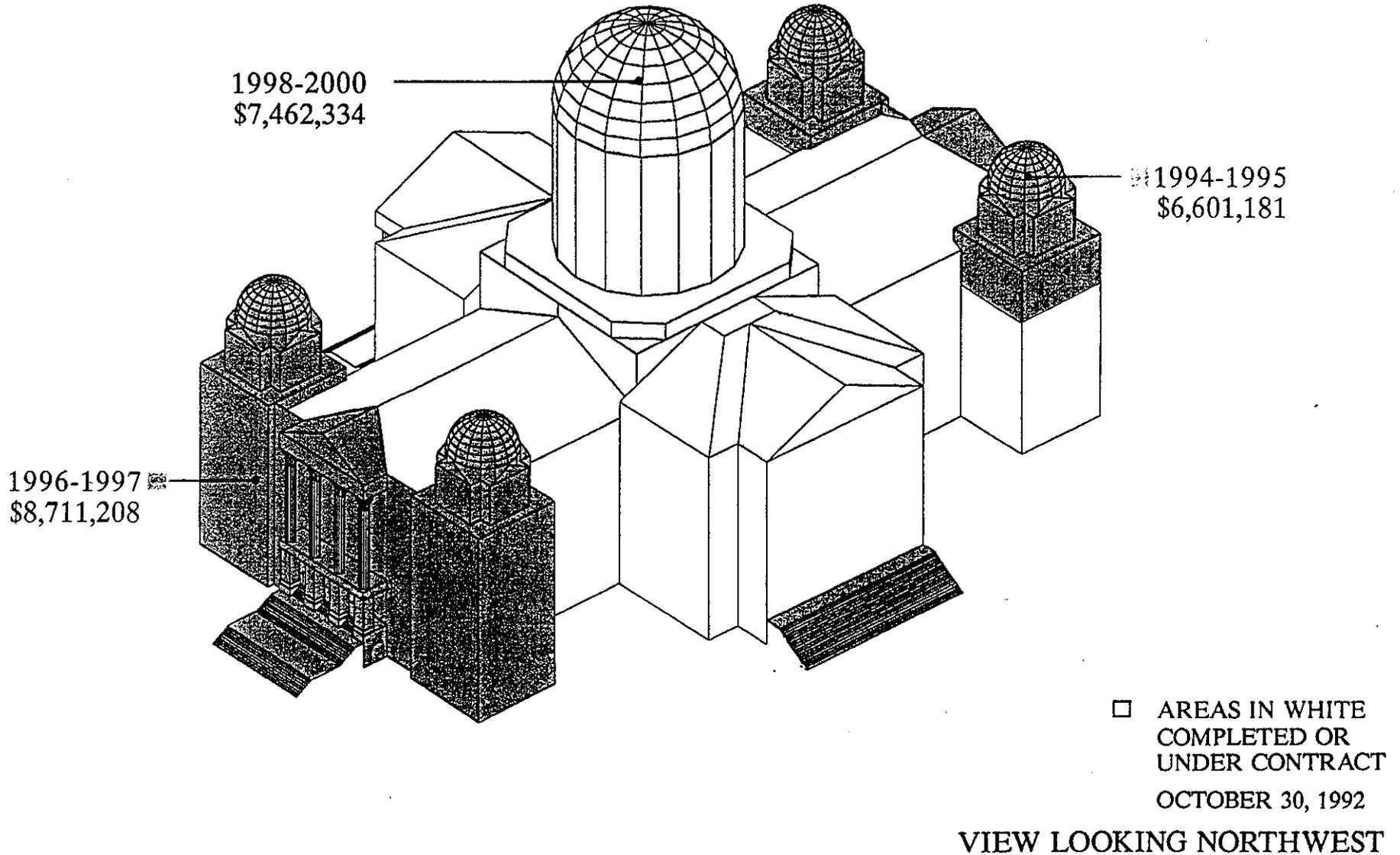
NOVEMBER 17, 1992

VIEW LOOKING NORTHWEST

REMAINING CONSTRUCTION PHASES
SCENARIO B
(MAXIMUM ANNUAL FUNDING • TOTAL COST \$22,774,723)
IOWA STATE CAPITOL RESTORATION



REMAINING CONSTRUCTION PHASES
SCENARIO B
(MAXIMUM ANNUAL FUNDING • TOTAL COST \$22,774,723)
IOWA STATE CAPITOL RESTORATION



Projected Costs for Restoration of the Iowa State Capitol

9 - Year Schedule

Probable Cost Escalated to Projected Year of Construction

<u>Phase</u>	<u>Fiscal Year</u>	<u>Type</u>	<u>Description</u>	<u>Construction</u>	<u>Architecture Fee</u>	<u>Total for the year</u>
7H	1994	Architectural	Northwest Pavilion - Remaining Walls		19,309	
7H	1994	Construction	Northwest Pavilion - Remaining Walls	772,353		
7G	1994	Architectural	Northwest Pavilion - Upper + Dome		23,295	814,957
7E	1995	Architectural	North Porch - Lower Northwest Pavilion -		38,588	
7G	1995	Construction	Northwest Pavilion - Upper + Dome	964,401		1,002,989
7F	1996	Architectural	North Porch - Lower		87,990	
7E	1996	Construction	North Porch - Upper	1,331,284		1,419,274
7D	1997	Architectural	North Pavilion - Remaining Walls		30,993	
7F	1997	Construction	North Porch - Lower Northeast Pavilion -	1,517,829		
7C	1997	Architectural	Northeast Pavilion - Upper + Dome		42,770	1,591,592
7D	1998	Construction	North Pavilion - Remaining Walls	1,069,249		
7C	1998	Construction	Northeast Pavilion Upper - Dome	1,069,249		
8A	1998	Architectural	Southwest Pavilion - Upper + Dome		74,841	
8A	1998	Architectural	West Steps		9,218	
8B	1998	Architectural	Southwest Pavilion - Lower		58,812	2,281,369
8A	1999	Construction	Southwest Pavilion - Upper + Dome	1,721,339		
8A	1999	Construction	West Steps	113,120		
8B	1999	Construction	Southwest Pavilion - Lower	1,352,676		
8C	1999	Architectural	South Porch Upper		66,544	
8D	1999	Architectural	South Porch Lower		61,330	3,315,009
8C	2000	Construction	South Porch Upper	1,530,500		
8D	2000	Construction	South Porch Lower	1,410,599		
8E	2000	Architectural	Southeast Pavilion - Upper + Dome		80,171	
8F	2000	Architectural	Southeast Pavilion - Lower		63,001	
8G	2000	Architectural	East Steps		7,899	3,084,271
8E	2001	Construction	Southeast Pavilion - Upper + Dome	1,843,942		
8F	2001	Construction	Southeast Pavilion - Lower	1,449,020		
8G	2001	Construction	East Steps	116,798		
9	2001	Architectural	Main Dome		579,153	3,988,913
9	2002	Construction	Main Dome	8,583,200		8,583,200
Total Cost for Project				\$24,845,559	\$1,243,914	\$26,081,574

Note: Escalation rates are based on an annual inflation rate of 3.5%. These were derived from current information regarding projected inflation rates for the construction industry.